

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the *Register* 1st as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the *Arizona Administrative Register* after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 2. ADMINISTRATION

CHAPTER 5. DEPARTMENT OF ADMINISTRATION

PERSONNEL ADMINISTRATION

PREAMBLE

1. **Sections Affected** **Rulemaking Action**
R2-5-303 Amend
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
Authorizing statute: A.R.S. § 41-763
Implementing statute: A.R.S. § 41-763(6)
3. **The effective date of the rules:**
March 4, 1997
4. **A list of all previous notices appearing in the Register addressing the final rule:**
Notice of Rulemaking Docket Opening:
2 A.A.R. 4983, December 13, 1996

Notice of Proposed Rulemaking:
2 A.A.R. 5014, December 20, 1996
5. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
Name: Gordon Carrigan, Human Resources Generalist

Address: Department of Administration
1831 West Jefferson, Room 107
Phoenix, Arizona 85007

Telephone: (602) 542-4784

Fax: (602) 542-2796
6. **An explanation of the rule, including the agency's reasons for initiating the rule:**
The adopted rulemaking establishes a reduction in pay for a voluntary grade decrease in the amounts of 2.5% for a 1-grade decrease, 5.0% for a 2-grade decrease and 10% for a 3-grade-or-more decrease. The rulemaking was initiated at the request of various state agencies on the basis that if an employee is given a salary commensurate with a position of higher responsibility and then asks to be relieved of that responsibility through a voluntary grade decrease, there should be a salary adjustment to reflect the lesser responsibility.
7. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable.
8. **The summary of the economic, small business, and consumer impact:**
The rulemaking revises the existing rule to require that there be a pay decrease to correspond to a reduction in pay grade for a voluntary grade decrease. The rule directly affects state service employees and has no projected impact on small businesses and consumers. State service employees affected will receive reduced pay, with the result that state salary costs and employee-related expenses (ERE), based upon current statistics, could decrease from \$120,000 to \$482,000 per year if the number of future voluntary grade decreases is consistent with past practice.

9. **A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):**
No substantive changes were made, but there were revisions to the language to improve clarity, conciseness, and understandability.
10. **A summary of the principal comments and the agency response to them:**
One agency head submitted comments to express opposition to the changes in the rule because, in its current form, the rule provides flexibility in handling reduction in force and employee relations problems. Furthermore, this commenter went on to note that abuses are not a problem with proper agency oversight.

The proposed rule also was disseminated to personnel managers for comment. They responded 4 in favor and 4 against. Those against preferred the flexibility of the current rule to allow employees to make career path changes without penalty, to make changes for valid personal reasons, to give management flexibility in reduction in workforce cases, and to reduce the need to use disciplinary action in place of voluntary grade decreases in certain situations.

One personnel manager placed the proposed rulemaking on E-mail to approximately 6,000 employees and received 17 responses, all opposed. Those employees prefer the current flexibility that allows them to resolve personal situations and to make career changes without losing pay that they perceive as being low. The agency is aware that some employees will be affected adversely by the rule changes and that managers who use the current rule to resolve disciplinary problems will be forced to use alternatives. However, the agency believes that the changes are necessary to resolve inequities in the application of the rule and to prevent abuses by employees, such as using the rule to obtain pay increases through a cycle of grade decreases and re-promotions. A current list of employees who have taken voluntary grade decreases totals 154 out of 30,000 employees, which indicates that making the proposed changes should not pose a significant problem.
11. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
Not applicable.
12. **Incorporations by reference and their location in the rules:**
None.
13. **Was the rule previously adopted as an emergency rule?**
No.
14. **The full text of the rules follows:**

TITLE 2. ADMINISTRATION

CHAPTER 5. DEPARTMENT OF ADMINISTRATION

PERSONNEL ADMINISTRATION

ARTICLE 3. CLASSIFICATION AND COMPENSATION

Section
R2-5-303. Salary Administration

ARTICLE 3. CLASSIFICATION AND COMPENSATION

R2-5-303. Salary Administration

- A. No change.
- B. No change.
- C. No change.
- D. No change.
- E. No change.
- F. No change.
- G. No change.
- H. No change.
- I. No change.
- J. No change.
- K. No change.
- L. No change.
- M. No change.
- N. No change.
- O. Voluntary Grade Decrease
 1. The salary of a permanent status employee who volunteers for a grade decrease shall be decreased by 2.5% for a 1-grade decrease, 5% for a 2-grade decrease, and 10%

~~for a decrease of 3 grades or more the same as that received prior to the decrease, provided that the decreased salary received prior to the voluntary grade decrease does not exceed the maximum salary or fall below the minimum salary of the range to which a voluntary lower grade decrease is accepted. If the decreased salary received prior to the voluntary grade decrease would exceed exceeds the maximum salary of the range, the employee's salary shall be established at the maximum salary of the lower grade to which a voluntary grade decrease is accepted.~~

2. ~~The salary of an~~ An employee who is promoted within 1 year to the immediately prior class held prior to the voluntary grade decrease shall be receive the salary held by the employee at the time of the voluntary grade decrease in that class plus any intervening general and merit adjustment adjustments which the employee received made to the lower salary.
3. The salary of an An employee who is promoted to a class other than the employee's immediately prior class held prior to the voluntary grade decrease shall be receive a salary set in accordance with subsection (H).
4. ~~The salary of an~~ An original probationary employee who volunteers for a grade decrease shall be paid the entrance salary of the new pay grade.

NOTICE OF FINAL RULEMAKING

TITLE 3. AGRICULTURE

CHAPTER 2. DEPARTMENT OF AGRICULTURE

ANIMAL SERVICES DIVISION

PREAMBLE

1. **Sections Affected**

	Rulemaking Action
R3-2-202	Amend
R3-2-501	Amend
R3-2-502	Amend
R3-2-503	Amend
R3-2-504	New Section
R3-2-601	Amend
R3-2-612	Amend
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. §§ 3-107 and 3-1203

Implementing statutes: A.R.S. §§ 3-1203, 3-1205, 3-1207, 3-1741, and 3-1773
3. **The effective date of the rules:**

March 5, 1997
4. **A list of all previous notices appearing in the Register addressing the adopted rule.**

Notices of Rulemaking Docket Opening:
2 A.A.R. 3556, August 9, 1996
2 A.A.R. 4823, November 29, 1996

Notice of Proposed Rulemaking:
2 A.A.R. 4856, December 6, 1996
5. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Shirley Conard, Rules Specialist

Address: Department of Agriculture
1688 West Adams, Room 124
Phoenix, Arizona 85007

Telephone: (602) 542-0962

Fax: (602) 542-5420
6. **An explanation of the rule, including the agency's reasons for initiating the rule:**

These rules govern the state and federal cooperative disease control program and the importation of cattle. The proposed rules add additional requirements to prevent the introduction of brucellosis or tuberculosis from cattle imported from Mexico.

R3-2-202, Meat and Poultry Inspection and Slaughtering Standards. This rule lists the incorporations by reference for meat and poultry inspection and slaughtering procedures, and for the contents of processed meats and meat food products. The rulemaking updates this material.

R3-2-501, Tuberculosis Control and Eradication. This rule has been rewritten to improve clarity and understanding, to correct a statute citation, to update the existing incorporation by reference, and to incorporate by reference material dealing with cervidae (all species of deer, elk, and moose) not listed as restricted wildlife.

R3-2-502, Payment to Owners for Cattle Depopulated from Herds Infected with Tuberculosis. This rule is based upon the requirement of A.R.S. § 3-1745(C) to notice, by rule, specific amounts for claims for purebred and grade stock animals. Tuberculosis has been eradicated in Arizona since 1979, and no claim for cattle infected with tuberculosis is expected. It is not an impossibility, however, that tuberculosis infected cattle could be shipped into Arizona and slip through our inspection program. References to a joint state-federal indemnity payment and the Emergency Livestock Disease Fund no longer exists and is being removed from rule. Because of the eradication, the Department anticipates that A.R.S. § 3-1745(C) will be removed from statute in the next legislative session (1998).

R3-2-503, Brucellosis Control and Eradication. This rule has been rewritten to improve clarity and understanding, to update the existing incorporation by reference, and to incorporate by reference material dealing with swine.

R3-2-504, Pseudorabies Control and Eradication Procedures. This rule has been added to adopt, by reference, the USDA procedures for pseudorabies.

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R3-2-601, Definitions. This rule has been updated to remove terms duplicated by statute or incorporation by reference material and to add terms necessary for the understanding of this Article.

R3-2-612, Importation of Cattle and Bison. This rule adds additional requirements to prevent the introduction of brucellosis or tuberculosis from cattle imported from Mexico. It relaxes the retesting requirement for dairy cattle from Class Free States; provides the requirements for dealing with moving imported quarantine cattle and addresses non-neutered cattle from Mexico; sets down actions contained in the *Border State Veterinarian's Consensus Document* and already implemented in the State Veterinarian's Office and gives the State Veterinarian the option to allow the importation of non-vaccinated dairy cattle.

7. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

8. The summary of the economic, small business, and consumer impact:

The incorporation by reference material has been updated to enable the state to comply with USDA agreements and contracts to administer programs that follow minimum federal standards.

As mentioned in the explanation of the rule, R3-2-502, tuberculosis has been eradicated from Arizona since 1979 and no claims are expected. However, if an infected animal does enter the state the Department is setting the maximum claim amount for pure-bred and grade stock animals. This amount will not fully reimburse the owner for the animal, but will help the owner compensate for the loss.

Most of the substantive changes in this rulemaking deal with tuberculosis preventive actions contained in the *Border State Veterinarian's Consensus Document* which was endorsed by the Arizona/Sonora Animal Health Committee in the fall of 1995. (Arizona, California, New Mexico, Texas) This Committee requested that the Arizona State Veterinarian promulgate rules incorporating the tuberculosis preventive measures outlined in the *Consensus Document*. Since this endorsement, many of the preventative measures have already been implemented by the Department. This rulemaking validates those implementations.

A. *The Department of Agriculture.*

The benefit to the Department by updating R3-2-202 results from the ability to continue administering a meat and poultry inspection program that is equal to that administered by the U.S. Department of Agriculture (USDA), as required by federal law. Should a state inspection program be deemed not to be administering regulations that are equivalent to those of the USDA, the state becomes "designated" by the USDA. Designation results in both the loss of federal funding and the takeover of inspection activities by the USDA.

The costs to the Department by updating R3-2-202 are restricted to additional time required for training inspection staff to enforce the new inspection requirements. Although the USDA is providing for the training of a few core inspection staff from the state program, the Department will be responsible for all additional staff training. Training of Department inspection staff is ongoing, thus delivery of training on these new requirements will be incorporated into training sessions already being planned.

The Sections in Articles 5 and 6 will benefit the Department primarily by strengthening its ability to prevent the introduction of tuberculosis, brucellosis, and pseudorabies into the state's livestock population. These Sections add additional testing requirements for the importation of livestock from Mexico, a country where both tuberculosis and brucellosis are common, update 2 referenced animal disease control guideline documents published by the USDA, and add 2 additional referenced documents of the USDA that will help in the prevention and control of pseudorabies in swine, and tuberculosis in some species of Cervidae.

There are no identifiable costs to the Department for these Sections. The proposed rules simply assist the Department in preventing the introduction of diseases, and controlling them should they be found.

B. *Political Subdivision.*

Political subdivisions of this state are not directly affected by the implementation and enforcement of this proposed rulemaking.

C. *Businesses Directly Affected By the Rulemaking. (Cattle growers, state licensed meat and poultry establishments)*

Updating the incorporation by reference in R3-2-202 will enforce stricter standards on the inspection and slaughtering of meat and poultry in Arizona. State agreements and contracts with the USDA compel the state to meet these standards to maintain the integrity of the existing inspection and slaughtering program.

R3-2-202 directly affects the state licensed meat and poultry establishments with Department inspection service. The benefit to these businesses is that the Department's "equal to" meat and poultry inspection program will continue to be certified by the USDA. This enables these establishments to continue obtaining inspection service from the Department. Should the USDA designate the state program for takeover, establishments will be required to obtain inspection service from the USDA. Many state licensed establishments are unable to meet all of the physical facility requirements of the USDA and would be forced to close.

The costs to these establishments include time required to implement the 3 new provisions required in the July 25, 1996, amendment of the CFR. Namely, establishments must design and implement Standard Operating Procedures for Sanitation (SSOPs), a testing program for E. coli, and a Hazard Analysis and Critical Control Point (HACCP) System for each of their

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processes (products). The amended CFR rule, entitled *Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems*, contains a number of appendices that are sufficient to guide a plant in the design of the 3 required programs. Should establishments be unable to design an SSOP, HACCP, and E. coli testing program, they have the option to hire a private consultant who will to design the programs for them.

In addition, to the expenditure of time and/or the need to hire a private consultant to design the 3 programs, establishments will be responsible for all costs incurred in their E. coli testing program. This would include costs for sampling, shipping, and laboratory fees. Excluding costs for time expended in collecting samples, estimates are that each test may cost between \$35 and \$75 per sample, depending on shipping costs. The minimum testing requirement for very small establishments is 1 test per week for thirteen weeks during a testing window comprising the months of June, July, and August. Thus, an establishment would incur costs of between \$500 and \$1000 per year for the E. coli testing.

The remaining Sections dealing with the control of animal diseases will result in slight added costs to the cattle feeder and rancher businesses in the state due to the requirement for retesting of imported cattle from Mexico for brucellosis and tuberculosis. The eradication program costs in Mexico and the pre-importation testing requirements for livestock in Mexico are borne primarily by the cattle owners in Mexico. The state and federal governments of Mexico also contribute part of the costs of the eradication programs. Once imported into the state, the costs incurred to retest the cattle are borne by the owner, the same as for cattle imported from other states in the United States. The magnitude of the costs will depend on the number of cattle imported. An estimate of tuberculosis testing is \$1 to \$3 per head and for brucellosis testing, \$2 to \$5 per head. Costs to the cattle business are far outweighed by the reduction in risks that occur with the implementation of these additional disease control measures.

D. Private and public employment.

Private and public employment are not directly affected by the implementation and enforcement of this proposed rulemaking

E. Consumers and the Public.

By amending R3-2-202, the consumers of meat and poultry products produced in state plants will benefit by way of being assured that these meat and poultry products are at least as wholesome as those produced in establishments inspected by the USDA. The intent of the amended CFR that is being incorporated by reference is to make the inspection program more scientific based, based more on prevention of contamination rather than control after contamination occurs, and thus to increase the safety of the nation's supply of meat and poultry products.

Increased costs to the public could result from the increase in costs incurred by the establishments to produce the products. Establishments would pass the costs on to the public through increased costs of meat and poultry products. Costs are expected to be similar for products produced under both state and USDA inspection.

The Sections in Articles 5 and 6 will benefit the public through reduction of the risks of importing livestock diseases, 2 of which can directly infect people (brucellosis and tuberculosis) and 1 that would devastate the state's pork industry, and indirectly adversely impact the local economies and market price of hogs.

There are no costs to the public associated with implementation of the disease control measures proposed in the remainder of the sections.

F. State Revenues.

This rulemaking will have no impact on state revenues.

9. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

The definition for "beef cattle" (a duplication of A.R.S. § 3-1451) in R3-2-601 has been removed and the remaining terms renumbered.

10. A summary of the principal comments and the agency response to them:

None.

11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None.

12. Incorporations by reference and their location in the rule:

R3-2-202(A). 9 CFR Chapter III, Subchapters A and E
R3-2-202(B). 9 CFR Chapter III, Subchapters C and E
R3-2-501(A). Bovine Tuberculosis Eradication – Uniform Methods and Rules
R3-2-501(C). Tuberculosis Eradication in Cervidae – Uniform Methods and Rules
R3-2-503(A). Brucellosis Eradication – Uniform Methods and Rules
R3-2-503(B). Swine Brucellosis Control/Eradication, State-Federal-Industry – Uniform Methods and Rules
R3-2-504. Pseudorabies, State-Federal-Industry Program Standard
R3-2-612(C). 9 CFR 92.424 through 92.427
R3-2-612(H). 9 CFR 73, Scabies in Cattle

13. Was this rule previously adopted as an emergency rule:

No.

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14. The full text of the rules follows:

TITLE 3. AGRICULTURE

CHAPTER 2. DEPARTMENT OF AGRICULTURE

ANIMAL SERVICES DIVISION

ARTICLE 2. MEAT AND POULTRY INSPECTION

R3-2-202. Meat and Poultry Inspection and Slaughtering Standards

ARTICLE 5. STATE-FEDERAL COOPERATIVE DISEASE CONTROL PROGRAM

R3-2-501. Tuberculosis accreditation procedures Control and Eradication Procedures

R3-2-502. Payment to owners for cattle depopulated because of tuberculosis to Owners for Cattle Depopulated from Herds Infected with Tuberculosis

R3-2-503. Brucellosis certification procedures Control and Eradication Procedures

R3-2-504. Pseudorabies Control and Eradication Procedures

ARTICLE 6. HEALTH REQUIREMENTS GOVERNING ADMISSION OF ANIMALS

R3-2-601. Definitions

R3-2-612. Requirements for importation of cattle Importation of Cattle and Bison

ARTICLE 2. MEAT AND POULTRY INSPECTION

R3-2-202. Meat and Poultry Inspection and Slaughtering Standards

A. All meat inspection and slaughtering procedures shall be conducted as prescribed in 9 CFR Chapter III, Subchapter Subchapters A and E, revised January 1, 1994 as amended July 25, 1996. The material incorporated herein by reference is on file with the Office of the Secretary of State and does not include any later amendments or editions of the incorporated matter. The following parts and sections of 9 CFR, Chapter III, Subchapter A, are excepted from incorporation:

302.2	321	329.9
306.3	322	331
307.5	327	335
312	329.7	

B. All poultry inspection and slaughtering procedures shall be conducted as prescribed in 9 CFR 381, revised January 1, 1994 9 CFR Chapter III, Subchapters C and E, as amended July 25, 1996. The material incorporated herein by reference is on file with the Office of the Secretary of State and does not include any later amendments or editions of the incorporated matter. The following sections of 9 CFR 381 9 CFR Chapter III, Subchapter C are excepted from incorporation:

381.38	381.218
381.96 through 381.112	381.220 through 381.225
381.195 through 381.209	381.230 through 381.236
	381.185 through 381.186

ARTICLE 5. STATE-FEDERAL COOPERATIVE DISEASE CONTROL PROGRAM

R3-2-501. Tuberculosis Accreditation Procedures Control and Eradication Procedures

A. Procedures for tuberculosis control and eradication in Cattle cattle, bison and goats shall not be moved or transported to or within this state except in compliance with the provisions of be as prescribed in the U.S. Department of Agriculture USDA

publication, Bovine Tuberculosis Eradication - Uniform Methods and Rules, effective March 13, 1985, February 3, 1989, which provisions are hereby This material is incorporated by reference, and A copy of the publication does not include any later amendments or editions of the incorporated matter, and is on file with the Office of the Secretary of State.

B. Cattle or bison willfully exposed to quarantined cattle or bison are not eligible for the tuberculosis depopulation indemnity provided in A.R.S. § 24-745 3-1745.

C. Procedures for tuberculosis control and eradication in cervidae not listed as restricted live wildlife in A.A.C. R12-4-406 shall be as prescribed in the USDA publication, Tuberculosis Eradication in Cervidae - Uniform Methods and Rules, effective May 15, 1994, including 1995 amendments. This material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Office of the Secretary of State.

R3-2-502. Payment to Owners for Cattle Depopulated Because of Tuberculosis to Owners for Cattle Depopulated from Herds Infected With Tuberculosis

A. The state shall pay owners a tuberculosis depopulation indemnity not exceed of \$100.00 for each purebred animal and not to exceed \$50.00 for each grade stock animal. Any joint state-federal indemnity payments, plus salvage, must not exceed the appraised value of each animal.

B. The tuberculosis indemnity claims against the state are payable subject to Board Director approval and availability of funds.

C. An Emergency Livestock Disease Fund is available for use in effecting prevention, control, and eradication of serious diseases to livestock of a contagious, infectious or communicable nature as determined by the State Veterinarian to constitute an emergency. Upon the additional determination by the Governor that an emergency does exist, expenditures from the fund may be made to meet the state's obligation under subsection (A) above.

R3-2-503. Brucellosis certification procedures Control and Eradication Procedures

A. Procedures for brucellosis control and eradication in cattle and bison Cattle and swine shall not be moved or transported to or within this state except in compliance with the provisions of shall be as prescribed in the U.S. Department of Agriculture USDA publication, Brucellosis Eradication - Uniform Methods and Rules effective July 15, 1986, and amendments thereto effective January 15, 1988, effective May 6, 1992, and revised February 16, 1993, and June 16, 1994. This material is incorporated herein by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Office of the Secretary of State.

B. Procedures for brucellosis control and eradication in swine shall be as prescribed in the USDA publication, Swine Brucellosis Control/Eradication, State-Federal Industry - Uniform Methods and Rules, revised February 1995. This material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Office of the Secretary of State.

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R3-2-504. Pseudorabies Control and Eradication Procedures

Procedures for pseudorabies control and eradication in swine shall be as prescribed in the USDA publication, Pseudorabies Eradication, State-Federal-Industry Program Standards, effective January 1, 1996. This material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Secretary of State.

**ARTICLE 6. HEALTH REQUIREMENTS GOVERNING
ADMISSION OF ANIMALS**

R3-2-601. Definitions

In this Article unless the context otherwise requires: The following terms apply to this Article:

1. "Animals" means livestock, dogs, cats, rabbits, rodents, game animals, furbearing and wild mammals, poultry, and other birds.
2. "Board" means the Arizona State Livestock Board.
3. "Breeding cattle" or "beef cattle" means cattle bred primarily for meat production and being essentially of recognized beef cattle ancestry.
- 4.1. "Dairy cattle" means cattle of dairy breeds or dairy types used for the production of milk or milk products for human consumption.
2. "Designated feedlot" means a confined drylot area under state quarantine that has been approved and licensed by the State Veterinarian and is maintained for finish feeding of cattle or bison that do not meet the brucellosis or tuberculosis import test requirements.
- 5.3. "Health certificate" means a legible record that is issued by a VS animal health official, state animal health official, or accredited veterinarian at the point of origin of a shipment of animals, conforms to the requirements of R3-2-606, and is written on an official health certificate form approved by the chief animal health official of the state of origin or an equivalent form of the U.S. Department of Agriculture USDA attesting that the animals described thereon have been inspected and found to meet the Arizona entry requirements of the state of Arizona. In addition the health certificate shall conform to the requirements of R3-2-606.
6. "Livestock" means cattle, horses, mules, assess, sheep, swine, bison and goats.
- 7.4. "Permit number" means an official serialized number issued by the Arizona State Veterinarian's Office which that conforms to the requirements of R3-2-607 and allows the regulated movement of certain animals into Arizona. In addition the permit shall conform to the requirements of R3-2-607.
8. "Poultry" means domesticated birds, including, but not limited to, chickens, turkeys, ducks, geese, guinea fowl, pigeons and pheasants.
5. "Specifically approved stockyard" means a stockyard specifically approved by VS and the State Veterinarian for receiving cattle and bison from other states other than brucellosis-reactor, brucellosis-suspect, and brucellosis-exposed cattle or bison.

R3-2-612. Requirements for importation of cattle Importation of Cattle and Bison

- A. Cattle must enter in conformity with The owner of cattle and bison entering Arizona or the owner's agent shall comply with the requirements in R3-2-602 through R3-2-611 provided and the following conditions:
1. Steers, spayed heifers and calves under 6 months of age are exempt from brucellosis or tuberculosis testing.

2. Bulls over 6 months of age not consigned to a quarantined feedlot or immediate slaughter must meet standard test requirements for breeding animals. (Brucellosis and tuberculosis.)
- 3.1. Pay the Expenses expenses incurred due to quarantines quarantine, testing test, and retesting of retest the imported cattle or bison shall be borne by the owner who has custody of the cattle prior to release of quarantine.
2. For imported beef breeding cattle, breeding bison, and dairy cattle, ensure that an accredited veterinarian applies a USDA metal eartag to each animal.

4-B. The state will Arizona shall not accept:

1. animals Cattle or bison from brucellosis infected, exposed, or quarantined herds regardless of their vaccination and/or test status, or both, except:
 - i.a. for steers, Steers and spayed females, and
 - ii.b. animals being Animals shipped directly to an Arizona quarantined feedlot or for immediate slaughter to an official state or federal slaughter establishment;
2. Cattle or bison of unknown brucellosis exposure status, unless consigned for feeding purposes to a designated feedlot, or to a quarantine pen approved by the State Veterinarian at an export station approved by the USDA;
3. Dairy cattle from a state or region within a foreign country without brucellosis status comparable to a Class Free State, or without tuberculosis status comparable to an Accredited-free State;
4. Dairy and dairy cross steers, and dairy and dairy cross spayed heifers from Mexico;
5. Beef breeding cattle or breeding bison from a state or region within a foreign country without brucellosis status comparable to a Class A State, or without tuberculosis status comparable to a Modified Accredited State.

B.C. Bovine brucellosis Brucellosis testing requirements for beef breeding cattle, breeding bison, and dairy cattle imported into Arizona from other states.

1. Officially calfhood vaccinated heifers as defined in the Uniform Methods and Rules for Brucellosis Eradication, must have a negative brucellosis test The owner or owner's agent shall ensure that an official calfhood vaccine is tested negative for brucellosis before entering Arizona if the official calfhood vaccine is:
 - a. 18 months of age or older, or
 - b. if cutting Cutting the 1st set of permanent incisors, or
 - c. Parturient or postparturient. Such vaccinated animals are also subject to the quarantine and retest requirements at destination (see (C)(2) below).
2. The owner or owner's agent shall ensure that bulls and non-vaccinated heifers test negative for brucellosis if 12 months of age or older, unless consigned for feeding purposes to a designated feedlot. All cattle or bison consigned to a designated feedlot shall be branded with an "F" adjacent to the tail head before entry into Arizona unless permission is granted by the State Veterinarian to apply the "F" brand on arrival. All cattle or bison that leave the designated feedlot shall go directly to an official state or federal slaughter establishment for immediate slaughter or to another designated feedlot.
- 2.3. No brucellosis test is required for cattle or bison originating from a certified brucellosis-free herd if Certified Brucellosis-Free Herd if the herd certification number is documented on the health certificate and import permit accompanying the cattle.

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- 3-4. ~~Dairy or~~ The owner or owner's agent shall ensure that beef breeding cattle or breeding bison entering without the above qualifications must be otherwise qualified by a negative test within 30 days of entry, remain under quarantine and isolation for retesting not earlier than 45 days nor later than 120 days from Class A states, and dairy cattle from Class A states or stockyard auctions in Class Free States, remain under import quarantine and isolation until tested negative for brucellosis not earlier than 45 days nor later than 120 days after entry. Exceptions to such this import quarantine and brucellosis testing is are provided for native ranch cattle in adjacent free or class A states Class A States and official calfhood vaccinates not yet less than 18 months of age.
5. The owner or owner's agent shall notify the State Veterinarian within 7 days of moving beef breeding cattle, breeding bison, and dairy cattle under import quarantine from the destination, unless the animals are shipped directly to an official state or federal slaughter establishment for immediate slaughter, and shall notify the State Veterinarian at the time animals under import quarantine that are not moved from the destination are retested for brucellosis.
- 4-6. Test-eligible Beef breeding cattle, breeding bison, and dairy cattle meeting the criteria of subsections (C)(1) or (2) consigned permit from adjacent states may be imported without a brucellosis test if moved to an a specifically approved stockyard Arizona auction are to be and tested prior to before sale and/or movement from the auction premises stockyard. They are The owner or owner's agent shall not commingle these cattle or bison not to be commingled with other cattle or bison until these cattle or bison are tested and found to be brucellosis negative.
- D. Brucellosis testing requirements for beef breeding cattle, breeding bison, and dairy cattle imported into Arizona from Mexico.
1. Before entry into Arizona, beef breeding cattle, breeding bison, or dairy cattle from Mexico shall meet the requirements of 9 CFR 92.424 through 92.427, January 1, 1996, edition, as amended at 60 FR 13898, 13900, March 15, 1995. This material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Office of the Secretary of State.
2. The owner or owner's agent shall ensure that beef breeding cattle, breeding bison, and dairy cattle from Mexico remain under import quarantine and isolation until tested negative for brucellosis not earlier than 60 days nor later than 120 days after entry into Arizona, and again 30 days after calving, unless consigned to a designated feedlot. All cattle or bison consigned to a designated feedlot shall be branded with an "F" adjacent to the tail head before entry into Arizona unless permission is granted by the State Veterinarian to apply the "F" brand on arrival. Unless neutered, all beef breeding cattle, breeding bison, and dairy cattle leaving the designated feedlot shall go directly to an official state or federal slaughter establishment for immediate slaughter or to another designated feedlot. The owner of the designated feedlot shall ensure that metal eartag identification records are kept on all incoming consignments and submit the records monthly to the State Veterinarian. An accredited veterinarian shall identify, on a form approved by the State Veterinarian, all cattle and bison leaving the designated feedlot. A copy of the form shall accompany the cattle or bison to slaughter and a copy shall be submitted to the State Veterinarian.
- C.E. Except for the following, All all female dairy cattle over 6 4 months of age or older, imported into the state of Arizona, after January 1, 1984, are to shall be official calfhood vaccinates, properly identified, certified, and legibly tattooed. Exceptions:
1. Show cattle for exhibition only.
 2. Certified free cattle under special permit/permission. Cattle from a Certified Brucellosis-free Herd with permission of the State Veterinarian.
 3. Cattle from a brucellosis-free state or country with permission of the State Veterinarian.
 - 3-4. Cattle in consigned direct route to slaughter to an official state or federal slaughter establishment for immediate slaughter.
 - 4-5. "S"-branded and destined for a quarantined Cattle consigned for feeding purposes to a designated feedlot under import permit number.
- D.E. Imported cattle presented at auctions but still under quarantine prior to retesting (after 45 days of entry but not later than 120 days) shall be identified out of the auction to the owner responsible for proper segregation and retesting in the allotted time. When imported breeding cattle, breeding bison, or dairy cattle are sold at a specifically approved stockyard, the owner or owner's agent shall, at the time of the sale, identify those cattle to the new owner as being under import quarantine. Such If market cattle identification testing for brucellosis is conducted at the auction, the owner or owner's agent shall ensure that the cattle or bison shall also be included in the MCI testing at such auction prior to are tested before the sale. The new owner shall segregate the cattle or bison and retest for brucellosis 45 to 120 days after the animals entered the state.
- E. Imported adult vaccinated cattle may by special permission be introduced into other adult vaccinated herds only. Such cattle shall be properly identified by eartags, tattoos and the "AV" hot brand on the last jaw. Such herds shall be classified under special restricted status.
- F.G. Bovine tuberculosis Tuberculosis testing requirements for beef breeding cattle, breeding bison, and dairy cattle imported into Arizona from other states.
1. Accredited tuberculosis free herds: Properly documented dairy and breeding cattle from Accredited Tuberculosis Free Herds are allowed importation without further test requirements. Herd accreditation number must be documented on the health certificate accompanying the shipment.
 2. Accredited tuberculosis free states: Native commercial cattle of the beef breeds from Accredited Tuberculosis Free States may be imported without further testing if properly documented.
 3. All purebred cattle, dairy females, and bulls for breeding dairy cattle unless from a properly documented Accredited Free Herd must enter with a negative tuberculosis test applied within 60 days prior to entry and retested 60 to 120 days after importation.
1. No tuberculosis test is required for:
- a. Beef breeding cattle, breeding bison, or dairy cattle from an accredited herd if the herd accreditation number is documented on the health certificate and import permit;
 - b. Native commercial and purebred beef breeding cattle from an Accredited-Free States if its accredited-free status is documented on the health certificate; and
 - c. Steers and spayed heifers.

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2. Unless from an accredited herd, prescribed in subsection (G)(1), the owner or owner's agent shall ensure that purebred beef breeding cattle from modified accredited states, breeding bison, dairy females, and bulls for breeding dairy cattle test negative for tuberculosis within 60 days before entry into Arizona.
- H. Tuberculosis testing requirements for cattle and bison imported into Arizona from Mexico.**
1. Before entry into Arizona, cattle and bison from Mexico shall meet the requirements of 9 CFR 92.424 through 92.427, incorporated by reference in subsection (D)(1).
 2. Steers and spayed heifers from states or regions in Mexico that have not been determined by the State Veterinarian to have fully implemented the Control, Eradication, or Free Phase of the bovine tuberculosis eradication program of Mexico shall not enter the state.
 3. Steers and spayed heifers from states or regions in Mexico determined by the State Veterinarian to have fully implemented the Control Phase of the bovine tuberculosis eradication program of Mexico shall not be imported into Arizona without prior permission of the State Veterinarian.
 4. Steers and spayed heifers from states or regions in Mexico determined by the State Veterinarian to have fully implemented the Eradication Phase of the bovine tuberculosis eradication program of Mexico may be imported into Arizona, if they have either:
 - a. Tested negative for tuberculosis in accordance with procedures equivalent to the Bovine Tuberculosis Eradication - Uniform Methods and Rules within 60 days before entry into the United States, or
 - b. Originated from a herd that is equivalent to an accredited herd in the United States and are moved directly from the herd of origin across the border as a single group and not commingled with other cattle or bison before arriving at the border.
 5. Steers and spayed heifers from states or regions in Mexico determined by the State Veterinarian to have achieved the Free Phase of the bovine tuberculosis eradication program of Mexico may move directly into Arizona without testing or further restrictions if they are moved as a single group and not commingled with other cattle before arriving at the border.
 6. Beef breeding cattle and breeding bison from states or regions in Mexico determined by the State Veterinarian to have fully implemented the Eradication or Free Phase of the bovine tuberculosis eradication program of Mexico may be imported into Arizona if they remain under import quarantine and isolation until retested negative for tuberculosis in accordance with the Bovine Tuberculosis Eradication - Uniform Methods and Rules, not earlier

than 60 days, nor later than 120 days after entry unless consigned to a designated feedlot for feeding purposes only. Unless neutered, all beef breeding cattle or breeding bison consigned to a designated feedlot shall be branded with an "F" adjacent to the tail head before entry into Arizona unless permission is granted by the State Veterinarian to apply the "F" brand on arrival. All beef breeding cattle or breeding bison leaving the designated feedlot shall go directly to an official state or federal slaughter establishment for immediate slaughter or to another designated feedlot. The owner of the designated feedlot shall ensure that metal eartag identification records are kept on all incoming consignments and submit the records monthly to the State Veterinarian. An accredited veterinarian shall identify, on a form approved by the State Veterinarian, all beef breeding cattle and breeding bison leaving the designated feedlot. A copy of the form shall accompany the cattle and bison to slaughter and a copy shall be submitted to the State Veterinarian.

G.I. Bovine scabies requirements.

1. No The owner or owner's agent shall ensure that no cattle or bison affected with or exposed to scabies shall be shipped, trailed, driven, or otherwise transported or moved into the state of Arizona for any purpose except cattle or bison properly identified and moving under permit number and seal for immediate slaughter at a specific official state or federal slaughter plant establishment.
2. Cattle The owner or owner's agent of cattle or bison from an official state or federal scabies quarantined areas area (state or federal) must shall comply with all provisions the requirements of 9 CFR 73, "Scabies in Cattle", January 1, 1996 edition, as amended at 56 FR 52463, October 21, 1991, which provisions are hereby incorporated by reference, before movement is permitted moving the cattle or bison into Arizona. This material is incorporated by reference, does not include any later amendments or editions of the incorporated matter, and is on file with the Office of the Secretary of State.
3. Beef herding The State Veterinarian may require that breeding and feeder-feeding cattle and bison from known scabies infected areas and states with major infestations may be required to be dipped be dipped or treated even though if the animals are not known to be directly exposed. Dairy cattle will be required to The State Veterinarian shall require that dairy cattle be dipped only if the animals are known to be exposed; otherwise a veterinarian's examination and certification may shall be sufficient. Such requirements will be furnished with permit when applicable.

NOTICE OF FINAL RULEMAKING

TITLE 20. COMMERCE, BANKING, AND INSURANCE

CHAPTER 3. OFFICE OF TOURISM

PREAMBLE

1. **Sections Affected**

R20-3-101	Amend
R20-3-102	Amend
R20-3-103	Amend
R20-3-104	Amend
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. § 41-2305

Implementing statute: A.R.S. § 41-2305
3. **The effective date of the rules:**

March 5, 1997
4. **A list of all previous notices appearing in the Register addressing the final rule:**

Notice of Rulemaking Docket Opening:
2 A.A.R. 4439, November 1, 1996

Notice of Proposed Rulemaking:
2 A.A.R. 4786, November 29, 1996
5. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Gary Vrabel

Address: Office of Tourism
2702 North 3rd Street, Suite 4015
Phoenix, Arizona 85004-4608

Telephone: (602) 230-7733

Fax: (602) 255-4600
6. **An explanation of the rule, including the agency's reasons for initiating the rule:**

These rules govern the joint venture program between the state and private corporations. This rulemaking updates these rules for clarity and understanding.
7. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.
8. **The summary of the economic, small business, and consumer impact:**

Since no substantive information has been changed or added in these rules, the economic, small business, and consumer impact is unchanged.

 - A. The Office of Tourism
The benefit to the Office by updating this Article results in the ability of the Office to administer a joint venture program that clearly informs the private corporation of the requirements to participate.
 - B. Political Subdivision
Updating the language of this Article will ensure that any political subdivision who applies as a private corporation is clearly and explicitly apprised of the requirements to participate in the joint venture.
 - C. Businesses Directly Affected by the Rulemaking (Private corporations)
Updating the language of this Article will ensure that private corporations are clearly and explicitly apprised of the requirements to participate in a joint venture.
 - D. Private and public employment
Private and public employment are not directly affected by the implementation and enforcement of this proposed rulemaking.
 - E. Consumers and the Public.
Consumers and the public are not directly affected by the implementation and enforcement of this proposed rulemaking.
 - F. State Records

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This rulemaking will have no impact on state revenues.

9. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):
None.
10. A summary of the principal comments and the agency response to them:
None.
11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
None.
12. Incorporations by reference and their location in the rules:
None.
13. Was the rule previously adopted as an emergency rule?
No.
14. The full text of the rules follows:

TITLE 20. COMMERCE, BANKING, AND INSURANCE

CHAPTER 3. OFFICE OF TOURISM

ARTICLE 1. JOINT-VENTURES

Section

- R20-3-101. Definitions
R20-3-102. ~~Application Joint-Venture Procedure Procedures, Costs, and Marketing Plan Application Procedure~~
R20-3-103. Standards for Participants
R20-3-104. Conditions of Participation

ARTICLE 1. JOINT-VENTURES

R20-3-101. Definitions

In these rules, unless the context otherwise requires, The following term applies to this Article, joint "joint-venture activity" means a united tourism-related, advertising; or promotional activity between the Arizona Office Tourism (the Office) and 1 year or more private corporations.

R20-3-102. ~~Application Joint-Venture Procedure Procedures, Costs, and Marketing Plan Application Procedures~~

A private corporation may apply that wishes to participate in a joint-venture activity in 1 of the following ways shall, on its own initiative or in response to an Office request, submit the following information:

1. Corporation-initiated proposal.
 - a. ~~The corporation shall submit an application setting forth the nature of the activity, the benefit to the state from engaging in the activity, the markets to be reached, and projected numbers of people to be reached.~~
 - b. ~~A projected budget, setting forth both the private and Office allocation of monies, shall accompany the application.~~
2. ~~Proposals in response to Office request for proposals.~~
 - a. ~~The Office may request proposals from private corporations to enter into a joint-venture activity proposed by the Office.~~
 - b. ~~The corporation shall set forth, in its proposed, the information required in subsection (1).~~
1. The name and mailing address of the applicant corporation;

2. The physical address, if different from the mailing address;
3. The name and telephone number of the project coordinator;
4. The beginning and ending dates of the project;
5. The federal employer identification number;
6. A description of the project;
7. The benefit to the state from engaging in the joint-venture activity;
8. The markets to be reached;
9. The projected numbers of people to be reached; and
10. A projected budget, describing the allocation of monies.

R20-3-103. Standards for Participants

In determining whether to enter into a joint-venture activity, the Office shall consider the following standards:

1. ~~How does Does~~ the proposal supplement the AOT Office's marketing objectives?
2. Is the proposal for a major an Arizona market identified in the Office's annual marketing plan?
3. ~~What is the experience of~~ Does the private corporation have experience in marketing Arizona a destination in the market to be selected?
4. Is it in the Office's best financial interest to participate?
5. ~~What is Is~~ the potential impact of the program joint-venture activity beneficial to en tourism in Arizona?
6. Is the marketing philosophy of the private corporation compatible with the marketing philosophy of the Office?

R20-3-104. Conditions of Participation

A If the Office decides to enter into a joint-venture activity with a private corporation, the private corporation shall agree to the following conditions of participation:

1. The private corporation shall supply a minimum of 50% of the monies in cash or in kind for the joint-venture activity.
2. ~~No monies will be paid by the~~ The state shall pay no monies before prior to receipt of the services.
3. The Director of the Arizona Office of Tourism shall be the final authority for all joint-venture activity.